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ECONOMIC & SOCIAL POLICY INSTITUTE

ECONOMIC BENEFITS OF DIVERSITY:

UNTAPPING THE POTENTIAL OF LONG ISLAND'S BLACK COMMUNITY

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I: PROLOGUE

At the inaugural Roundtable for Long Island's Future, what was clear from the white paper presented by The Long Island Economic and Social Policy Institute at Dowling College (LIESP), was the existence of an education attainment gap between white communities and communities of color. The white paper, "Long Island's Racial Divide: The Education Attainment Gap," discussed the ramifications from global economy, the higher wage paying jobs that are created by that economy, and the role that education attainment plays in fulfilling the requirements for accessing those jobs.

Also discussed was the untapped economic potential in communities of color, where the nexus between higher education attainment and the higher paying regional jobs created by the opportunities offered by the global economy has yet to be achieved.

This white paper, the "Economics of Diversity," will begin to unravel how the education attainment gap contributes to the existing economic differences between Long Island's racial communities. What is clear from LIESP's first white paper and the following analysis is that the communities where the education gap was widest, the primarily Black communities of Roosevelt and North Amityville, were also where the racial and economic gaps between whites and blacks were the widest. In multi-cultural Huntington Station, the education attainment and economic gap narrowed significantly. In primarily white Port Washington the gap disappeared to where Port Washington's higher educational attainment gave residents the skills that created a local economy that fared economically and educationally better than Nassau County, Huntington Station, Roosevelt, and North Amityville. The collective data from the communities of North Amityville, Roosevelt, Huntington Station, and Port Washington, as presented below, clearly supports the fact that education matters in getting a higher paying job, and race plays a factor in that equation.

II A: NORTH AMITYVILLE:

The global economy began to influence Long Island's economy and employment sectors beginning in 1970, and nowhere is there a better illustration of the inequities created by the global economy than in the Suffolk County community of North Amityville.

Employment of Suffolk County and North Amityville workers were comparable in most industry sectors, excepting for jobs in the professional, managerial and administrative categories. These jobs tend to require a higher degree of education, something achieved in greater percentages by the Suffolk County workforce. Conversely, service and machine operator jobs, often requiring a lower degree of education, were the two largest categories employing North Amityville residents.

TABLE 1: EMPLOYMENT BY INDUSTRY SECTOR
1970

Industry Sector	Suffolk County		North Amityville	
	Count	%	Count	%
Professional	71,418	18 %	494	11 %
Manager/Administrator	37,478	10 %	176	4 %
Sales	32,252	8 %	123	3 %
Clerical	67,721	17 %	819	18 %
Crafts/Construction/Mechanics	60,744	15 %	551	12 %
Machine Operators	34,573	9 %	800	18 %
Transportation Operators	15,156	4 %	187	4 %
Laborers	15,513	4 %	275	6 %
Farm	2,432	1 %	44	1 %
Service	49,160	13 %	921	20 %
Private Household	2,531	1 %	125	3 %
Total	388,978	100 %	4,515	100 %

Source: 1970 Census, table P-3, Labor Force Characteristics of the Population

By 1990, the differing levels of educational attainment between Suffolk County and North Amityville residents had resulted in recognizable differences in labor force employment. The 1990 Suffolk County labor force employment for those over 16 years old increased by 68 percent to 654,411, and now represented 50 percent of the Suffolk County population. North Amityville's labor force was not so fortunate. The 4,880 persons in 1990 working represented 35 percent of North Amityville's population, reflecting a dismal 8 percent employment growth from 1970. Additionally, those employed in private wage and salary jobs increased by only three percent, as compared to Suffolk County's 76 percent growth. Government employment increased by 35 percent; again lower than the 49 percent growth in Suffolk County. Entrepreneurs, the backbone of small business and critical to economic growth of any community was significantly different between Suffolk County and North Amityville. In Suffolk County, those self-employed increased by 44 percent between 1970 and 1990, while in North Amityville, self-employed individuals, already in short supply, decreased by 52 percent. Furthermore, the composition of the respective workforce also changed during the 20 years ending with 1990, and appears in the following analysis.



TABLE 1 (CONT): EMPLOYMENT BY INDUSTRY SECTOR

Industry Sector	1990			
	Suffolk County		North Amityville	
Professional	102,542	16 %	453	9 %
Manager/Administrator	88,832	13 %	204	4 %
Sales	108,303	16 %	459	9 %
Clerical	117,399	18 %	1,049	22 %
Crafts/Construction/Mechanics	77,943	12 %	51	10 %
Machine Operators	24,830	4 %	302	6 %
Transportation Operators	25,528	4 %	370	8 %
Laborers	20,125	3 %	204	4 %
Farm	8,253	1 %	12	.5 %
Service	78,804	12 %	1,295	27 %
Private Household	1,852	1 %	20	.5 %
Total	654,411	100 %	4,880	100 %

Source: 1990 U.S. Census, table 156 and table 23.

Not only did the growth between 1970 and 1990 of the North Amityville employment of over 16 year olds lag seriously behind Suffolk County, so did the distribution of jobs between the higher paying professional, managerial and administrative, crafts and construction sectors. These jobs tend to require a higher degree of education and skills, areas in which North Amityville failed to keep pace with Suffolk County. Suffolk County increased professional jobs by 44 percent, managerial and administrative by 137 percent and crafts and construction jobs by 28 percent. By comparison, North Amityville lost 8 percent of its professional jobs, increased managerial and administrative employment by only 16 percent and lost 7 percent of its crafts and construction employment. Even in occupations where a lower level of education would be acceptable, such as clerical and service, Suffolk County grew at 73 and 60 percent respectively, while North Amityville reported growth of 28 percent for clerical and 41 percent for service. Not only did the North Amityville labor force lag behind Suffolk County in growth of higher paying jobs, but North Amityville also reported a higher degree of unemployment, when comparing those employed to those who are not.

Family mean and median income distribution variances also existed between Suffolk County and North Amityville, and are presented in the following table.

TABLE 2: MEAN AND MEDIAN FAMILY (NOMINAL AND REAL) INCOME

	1970		1990	
	Mean	Median	Mean	Median
Suffolk County:				
Nominal \$	\$13,382	\$12,084	\$61,789	\$53,247
Real \$ (1)	\$34,490	\$31,144	\$47,530	\$40,959
North Amityville:				
Nominal \$	\$10,240	\$ 9,446	\$42,764	\$37,544
Real \$ (1)	\$26,391	\$24,345	\$32,895	\$28,880

Source: 1970 U.S. Census table P-4, 1990 U.S. Census table 148, NYS Data Center, File 3.

Note (1): Based on 1984 CPI as the base year.

The 1970 North Amityville mean and median family incomes, expressed in both nominal and real dollars, were respectively 77 and 78 percent of their Suffolk County equivalent. This gap became progressively worse by 1990. The Suffolk County nominal mean and median family incomes experienced a respective 362 and 341 percent growth between 1970 and 1990, while mean and median incomes, expressed in real dollars, grew by 38 and 32 percent respectively. The growth of North Amityville's mean and median family incomes, expressed in nominal dollars, lagged behind at 318 and 297 percent, with mean and median income, expressed in real dollars, also lagged behind with growth rates of 25 and 19 percent respectively. The North Amityville mean and median family incomes, expressed in both nominal and real dollars, had now having fallen to 69 and 71 percent of their Suffolk County equivalents.



Conclusion:

What is beyond escape is that as compared to Suffolk County, the global economy had a greater negative economic and job distribution impact on North Amityville. In particular, North Amityville, because of its higher education attainment gap and a greater distribution of lower paying jobs:

had a growth in nominal family income, yet a majority of families were still earning nominal income below \$38,000, as compared to approximately \$53,000 for Suffolk County; and,

had mean and median real family income grow at a slower rate than Suffolk County's.

Overall, despite experiencing some growth between 1970 and 1990, the skills required by the global economy, combined with the deindustrialization of Long Island economy, impacted North Amityville, resulting in the community economically falling further behind Suffolk County.

The impact of the global economy did not stop with 1990, but continues to impact the current Long Island economy. How that impact was felt will be illustrated by the following analysis of three Long Island communities. The first of these is Huntington Station, a multi-cultural community of color.

II B: HUNTINGTON STATION:

Huntington Station was once one of Suffolk County's most prosperous business communities, until the Urban Renewal programs of the 1960's widened New York Avenue, the main thoroughfare extending Route 110 from Babylon to Huntington Village. This program eliminated hundreds of residential homes and businesses, and permanently bifurcated the communities, with the Long Island Railroad as the dividing line. North of the LIRR was prosperous and South was not. The result of the Urban Renewal Program of the 1960's and the global economic events between 1970 to the present day have scarred the economic and sociological landscape of the community to this very day. While there are economic development initiatives underway in the Town of Huntington that will improve Huntington Station's socio-economic fabric, there are some economic obstacles to overcome.

As presented in Table 3, employment of Suffolk County and Huntington Station workers in 1990 was comparable in most industry sectors, including jobs in the professional, managerial and administrative categories, which tend to require a higher degree of education. Similarly, clerical, service and machine operator jobs, often requiring a lower degree of education, were the other categories employing large percentages of Huntington Station and Suffolk County residents.

**TABLE 3: EMPLOYMENT BY INDUSTRY SECTOR
1990**

Industry Sector	Suffolk County		Huntington Station	
Technician	23,773	3.6%	531	3.7%
Professional	103,133	15.5%	2,394	16.5%
Manager/Administrator	89,432	13.4%	1,722	11.9%
Sales	85,593	12.9%	2,055	14.1%
Clerical	118,926	17.9%	2,222	15.3%
Crafts/Construction/Mechanics	79,624	12.0%	1,779	12.2%
Machine Operators	26,958	4.1%	724	5.0%
Transportation Operators	25,885	3.8%	490	3.4%
Laborers	20,698	3.1%	594	4.1%
Farm/Fishing	8,573	1.3%	165	1.1%
Service	61,415	9.2%	1,498	10.3%
Private Household	1,964	.3%	76	.5%
Protective Service	19,208	2.9%	283	1.9%
Total	665,182	100%	14,533	100%

Source: 1990 Census, Table DP-3, Labor Force Status and Employment Characteristics.

By 2000, the differing levels of educational attainment between Suffolk County and Huntington Station residents had resulted in little recognizable differences in labor force employment. The 2000 Suffolk County labor force employment for those over 16 years old increased by 2.7 percent to 683,062 and now represented 48.1 percent of the Suffolk County population. Huntington Station's labor force, however, fared better. The 14,807 persons in 2000 working represented 49.5 percent of Huntington Station's population, while reflecting a 1.9 percent employment increase from 1990. Additionally, as presented in Table 9, Huntington Station's employed in private wage and salary jobs increased by .9 percent, as compared to Suffolk County's 3.3 percent growth, while government employment increased by 16.0 percent, in contrast to the .7 percent growth in Suffolk County. Entrepreneurs,



the backbone of small business and critical to economic growth of any community, differed significantly between Suffolk County and Huntington Station. In Suffolk County, those who were self-employed increased by .7 percent between 1990 and 2000, and now represented 5.5 percent of the workforce. As an example of two workforce sectors heading in different directions, Huntington Station self-employed individuals, already in short supply, decreased by 18.2 percent and represented only 4.5 percent of the workforce. Furthermore, the percent ratio between the Suffolk County and Huntington Station self-employed had increased from 1.00 to 1.00 in 1990 to 1.22 to 1.00 in 2000. The composition of the respective workforces also changed during the 10 years ending with 2000, and appears in Table 10.

**TABLE 3 (CONT.): EMPLOYMENT BY INDUSTRY SECTOR
2000**

Industry Sector	Suffolk County		Huntington Station	
Professional	70,611	10.4%	1,879	12.7%
Finance/Insur/Real Estate	53,510	7.8%	1,182	8.0%
Sales	112,235	16.4%	2,489	16.8%
Clerical/Information	27,290	4.0%	597	4.0%
Mfg/Construction/Mechanics	116,395	17.1%	2,328	15.7%
Public Administration	38,124	5.6%	505	3.4%
Whse/Transport/Utilities	40,393	5.9%	892	6.0%
Farm/Agric/Fish	2,369	.3%	16	.1%
Service	222,135	32.5%	4,919	33.3%
Total	683,062	100 %	14,807	100%

Source: 2000 U.S. Census, Table DP-3

Despite the fact that the increase between 1990 and 2000 of the Huntington Station workforce employment over 16 years of age was proportionately smaller than in Suffolk County, there were similarities in the distribution of jobs between the higher paying professional, managerial and administrative, crafts and construction sectors. These jobs tend to require a higher degree of education and skills, areas in which Huntington Station, while lagging behind, still had kept pace with Suffolk County. Suffolk County's professional jobs decreased by 31.5 percent; and managerial and administrative jobs (now included in Finance, Insurance and Real Estate) decreased by 40.1 percent, while manufacturing, crafts, and construction jobs increased by 46.1 percent. By comparison, Huntington Station lost 21.5 percent of its professional jobs; managerial and administrative employment decreased by 31.4 percent and manufacturing, crafts, and construction employment increased by 30.9 percent. In occupations where a lower level of education would be acceptable, such as clerical and service, Suffolk County grew by 38.3 percent, while Huntington Station, in the aggregate, reported 48.3 percent growth. In sales jobs, Suffolk County increased by 31.1 percent, while Huntington Station reported 21.1 percent growth.

Mean per capita and family median income variances also existed between Suffolk County and Huntington Station, and are presented in Table 11.

**TABLE 4: MEAN PER CAPITA AND MEDIAN FAMILY (NOMINAL AND REAL) INCOME
1990 2000**

	Mean Per Capita	Median Family	Mean PerCapita	Median Family
Suffolk County: Nominal \$	\$18,481	\$53,247	\$26,577	\$72,112
Suffolk County: Real \$ (1)	\$13,392	\$38,585	\$14,603	\$39,622
Huntington Station: Nominal \$	\$17,870	\$50,184	\$23,689	\$67,115
Huntington Station: Real \$	\$12,949	\$36,365	\$13,016	\$36,876

Source: 1990 U.S. Census Table DP-4, 2000 U.S. Census Table DP-3.

Note (1): Adjusted for Inflation; Based on 1984 CPI as the base year, New York Area Index as of July 1990 and July 2000.

The 1990 Huntington Station mean per capita and median family income, as expressed in both nominal and real dollars, were respectively 97 and 94 percent of their Suffolk County equivalent. By 2000, however, this gap had widened. The Suffolk County nominal mean per capita and median family incomes experienced a respective 44 and 35 percent growth between 1990 and 2000, while mean per capita and median family income expressed in real dollars grew by 9.0 and 2.7 percent respectively. The growth of Huntington Station's mean per capita and median family income expressed in nominal dollars lagged behind at 33 and 34 percent, with mean per capita and median family income expressed in real dollars also lagging behind, with marginal increases of .5 and 1.4 percent respectively. The Huntington Station mean per capita and median family income, expressed in both nominal and real dollars, had now fallen to 89 and 93 percent of their Suffolk County equivalents. Not only had Huntington Station failed to keep pace with Suffolk County, but actually lost economic ground.



Conclusion:

Because of the relatively higher education attainment in Huntington Station, and its more multi-cultural, ethnic and racial composition as compared to the other communities of color in both Nassau and Suffolk, including a more favorable educational attainment level as compared to Suffolk County, Huntington Station had:

growth comparable to Suffolk County in both nominal median family and nominal mean per capita income, with nearly half of Huntington Station families earning nominal median income above \$67,115, as compared to Suffolk County where a just less than half of the families earned below the nominal median income of \$72,112; and,

had real mean per capita and real median real family income growing at a slower rate than Suffolk County's, with a marginal increase in Huntington Station's real mean per capita income.

II C: ROOSEVELT:

The positive Urban Renewal Programs of the Town of Hempstead that created housing units, combined with the negative economic impact of business closings, relocations, and stagnation of the Nassau Road central business district of the community have impacted the community of Roosevelt.

Employment of Nassau County and Roosevelt workers were comparable in most industry sectors, excepting for jobs in the professional, managerial and administrative categories. These jobs tend to require a higher degree of education, something achieved in greater percentages by the Nassau County workforce. Conversely, clerical, service and machine operators jobs, often requiring a lower degree of education, were the three largest categories employing Roosevelt residents

**TABLE 5: EMPLOYMENT BY INDUSTRY SECTOR
1990**

Industry Sector	Nassau County		Roosevelt	
Technician	20,753	3.1 %	330	4.3%
Professional	115,951	17.5 %	870	11.3 %
Manager/Administrator	112,278	17.0 %	667	8.6%
Sales	93,861	14.2 %	525	6.8%
Clerical	130,222	19.7 %	1,843	23.9%
Crafts/Construction/Mechanics	57,824	8.8 %	586	7.6%
Machine Operators	17,761	2.7 %	452	5.9%
Transportation Operators	19,174	2.9 %	447	5.8%
Laborers	16,141	2.4 %	262	3.4%
Farm	5,202	.8 %	101	1.3%
Service	68,286	10.3 %	1,524	19.8%
Private Household	4,033	.6 %	104	1.3%
Total	661,486	100%	7,711	100%

Source: 1990 Census, Table DP-3, Labor Force Status and Employment Characteristics.

By 2000, the differing levels of educational attainment between Nassau County and Roosevelt residents had resulted in recognizable differences in labor force employment. The 2000 Nassau County labor force employment for those over 16 years old decreased by 4.6 percent to 631,188, and now represented 47.3 percent of the Nassau County population. Roosevelt's labor force was not so fortunate. The 6,773 persons in 2000 working represented 42.7 percent of Roosevelt's population, reflecting a disappointing 12.2 percent employment decrease from 1990. Additionally, those employed in private wage and salary jobs decreased by 6.7 percent, as compared to Nassau County's 5.1 percent drop. Government employment decreased by 27.2 percent; in contrast to the 1.3 percent growth in Nassau County. Entrepreneurs, the backbone of small business and critical to economic growth of any community, differed significantly between Nassau County and Roosevelt. In Nassau County, those self-employed decreased by 12.6 percent between 1990 and 2000, and now represented 6.0 percent of the workforce. As an example of two workforce sectors heading in different directions, Roosevelt self-employed individuals, already in short supply, decreased by 24.1 percent and represented only 3 percent of the workforce. Furthermore, the percent ratio between Nassau County and Roosevelt self-employed had increased from 1.89 to 1 in 1990 to 2 to 1 in 2000. In addition, the composition of the respective workforces also changed during the 10 years ending with 2000, and appears in the following analysis.



TABLE 6 (CONT.): EMPLOYMENT BY INDUSTRY SECTOR

2000 Industry Sector	Nassau County		Roosevelt	
	Employment	%	Employment	%
Professional	74,934	11.9%	668	9.8%
Finance/Insur/Real Estate	72,942	11.6%	489	7.2%
Sales	94,803	15.0%	986	14.6%
Clerical/Information	25,825	4.1%	975	14.4%
Crafts/Construction/Mechanics	32,466	5.1%	284	4.2%
Machine Operators	40,795	6.5%	497	7.3%
Transportation Operators	38,099	6.0%	486	7.2%
Farm/Agric/Fish	635	.1%	-0-	-0%
Service	250,689	39.7%	2,388	35.3%
Total	631,188	100%	6,773	100%

Source: 2000 U.S. Census, Table DP-3.

Despite that the decrease between 1990 and 2000 of the Roosevelt workforce employment over 16 years of age was proportionately greater than Nassau County, the disparity in the distribution of jobs between the higher paying professional, managerial and administrative, crafts and construction sectors had narrowed. These jobs tend to require a higher degree of education and skills, areas in which Roosevelt had kept pace with Nassau County. Nassau County decreased professional jobs by 35.4 percent, managerial and administrative (now included in Fire, Insurance and Real Estate) by 35.0 percent and crafts and construction jobs by 43.9 percent. By comparison, Roosevelt lost 23.2 percent of its professional jobs, decreased managerial and administrative employment by 26.7 percent and lost 51.5 percent of its crafts and construction employment. In occupations where a lower level of education would be acceptable, such as clerical and service, Nassau County grew by 39.3 percent, while Roosevelt, in the aggregate, reported no growth at all. However, in sales jobs, Nassau County increased by one percent while Roosevelt reported 87.8 percent growth.

In 1990, the 10.6 percent of Roosevelt families represented at the lower income categories exceeded the 4.8 percent of Nassau County families earning \$15,000 or less. Fewer Roosevelt families also earned over \$25,000, with 88.3 percent of Nassau County families earning in excess of \$25,000, as compared to 78.3 percent for Roosevelt families. Furthermore, 43.8 percent of Roosevelt families earned over \$50,000, while 62.6 percent of Nassau County families did. By 2000, correlating with the improving educational attainment, economic conditions slightly improved to where only 3.9 percent of Nassau County families and 9.2 percent of Roosevelt families were earning less than

Mean per capita and family median income distribution variances also existed between Nassau County and Roosevelt, and are presented in the following table.

TABLE 7: MEAN PER CAPITA AND MEDIAN FAMILY (NOMINAL AND REAL) INCOME

	1990		2000	
	Mean Per Capita	Median Family	Mean Per Capita	Median Family
Nassau County: Nominal \$	\$23,352	\$60,619	\$32,151	\$81,246
Real \$ (I)	\$16,873	\$43,800	\$17,588	\$44,445
Roosevelt: Nominal \$	\$12,955	\$45,297	\$16,950	\$56,380
Real \$	\$ 9,361	\$32,729	\$ 9,272	\$30,842

Source: 1990 U.S. Census Table DP-4, 2000 U.S. Census Table DP-3.

Note (1): Based on 1984 CPI as the base year, New York Area Index as of July 1990 and July 2000.

The 1990 Roosevelt mean per capita and median family incomes, expressed in both nominal and real dollars, were respectively 55 and 75 percent of their Nassau County equivalent. This gap became progressively worse by 2000. The Nassau County nominal mean per capita and median family incomes experienced a respective 38 and 34 percent growth between 1990 and 2000, while mean per capita and median incomes, expressed in real dollars, grew by 4.2 and 1.4 percent respectively. The growth of Roosevelt's mean per capita and median family incomes, expressed in nominal dollars, lagged behind at 31 and 25 percent, with mean per capita and median income, expressed in real dollars, not only lagging behind, but actually decreasing by 1 and 6 percent respectively. The Roosevelt mean per capita and median family incomes, expressed in both nominal and real dollars, had now fallen to 53 and 69 percent of their Nassau County equivalents. Not only had Roosevelt failed to keep up with Nassau County, but it actually lost economic ground.



II D: PORT WASHINGTON:

Port Washington is a primarily white community with a higher level of education attainment as compared to Nassau County and the communities of North Amityville, Huntington Station, and Roosevelt. As would be expected, the levels of economic activity and job distributions tended to be higher and distributed more to jobs paying higher wages.

Employment of Nassau County and Port Washington workers were comparable in most industry sectors, excepting for jobs in the professional, managerial and administrative categories. These jobs tend to require a higher degree of education, something achieved in greater percentages by the Port Washington workforce. Conversely, after professional and managerial/administration, clerical, service and sales jobs, often requiring a lower degree of education, were the three largest categories employing Nassau County residents.

**TABLE 8: EMPLOYMENT BY OCCUPATION SECTOR – OVER 16 YEARS OF AGE
1990**

Occupation Sector	Nassau County(a)		Port Washington(b)	
Technician 2	0,753	3.1%	356	2.3%
Professional	115,951	17.5 %	3,290	21.2 %
Manager/Administrator	112,278	17.0 %	3301	21.3%
Sales	93,861	14.2%	2,469	15.9%
Clerical	130,222	19.7%	2,243	14.5%
Crafts/Construction/Mechanics	57,824	8.8%	1,186	7.7%
Machine Operators	17,761	2.7%	376	2.4%
Transportation Operators	19,174	2.9%	268	1.7%
Laborers	16,141	2.4%	299	1.9%
Farm	5,202	.8%	185	1.2%
Service	68,286	10.3 %	1,270	8.2%
Private Household	4,033	.6%	259	1.7%
Total	661,486	100%	15,502	100%

Source: (a) 1990 Census, Table DP-3, Labor Force Status and Employment Characteristics.

(b) Infoshare.org. 1990 U.S. Census Table: Occupation; 2000 U.S. Census Table: Occupation by Sex.

By 2000, the differing levels of educational attainment between Nassau County and Port Washington residents had resulted in recognizable differences in labor force employment. The 2000 Nassau County labor force employment for those over 16 years old decreased by 4.6 percent to 631,188, and now represented 47.3 percent of the Nassau County population. Port Washington's labor force of 14,143 persons in 2000 represented 49.5 percent of Port Washington's population, reflecting an 8.8 percent employment decrease from 1990, nearly twice the Nassau County decline. Additionally, those in Port Washington employed in private wage and salary jobs decreased by 19.2 percent, as compared to Nassau County's 5.1 percent decline. Government employment increased by 9.2 percent; as compared to the 1.3 percent growth in Nassau County. Entrepreneurs, the backbone of small business and critical to economic growth of any community, differed significantly between Nassau County and Port Washington. In Nassau County, those self-employed decreased by 12.6 percent between 1990 and 2000, and now represented 6.0 percent of the workforce. As an example of two workforce employment sectors heading in different directions, Port Washington's self-employed individuals increased by 47.2 percent and now represented 17.8 percent of the workforce, increasing from 11 percent in 1990. Furthermore, the percent ratio between Port Washington and Nassau County self-employed had increased from 1.67 to 1 in 1990 to 2.97 to 1 by 2000. In addition, the composition of the respective workforces also changed during the 10 years ending with 2000, and appears in the following analysis.

TABLE 8 (CONT.) EMPLOYMENT BY OCCUPATION SECTOR – OVER 16 YEARS OF AGE

Occupation Sector	Nassau County(a)		Port Washington (b)	
Professional	74,934	11.9%	3,350	23.7%
Finance/Insur/Real Estate	72,942	11.6%	646	4.5%
Sales	94,803	15.0%	2,079	14.7%
Clerical/Information	25,825	4.1%	1,523	10.8%
Crafts/Construction/Mechanics	32,466	5.1%	536	3.8%
Machine Operators	40,795	6.5 %	355	2.5%
Transportation Operators	38,099	6.0%	376	2.7%
Farm/Agric/Fish	635	.1 %	15	.1%
Service	250,689	39.7%	5,263	37.2%
Total	631,188	100 %	14,143	100 %

Source: (a)2000 U.S. Census, Table DP-3.

(b) Infoshare.org, 1990 U.S. Census Table: Occupation; 2000 U.S. Census Table: Occupation by Sex.



Despite that the decrease between 1990 and 2000 of Port Washington's workforce employment over 16 years of age was greater than Nassau County, the disparity in the distribution of jobs between the higher paying professional, managerial and administrative, crafts and construction sectors had narrowed. These jobs tend to require a higher degree of education and skills, areas in which Port Washington exceeded Nassau County. Nassau County decreased professional jobs by 35.4 percent, managerial and administrative (now included in Fire, Insurance and Real Estate) by 35.0 percent and crafts and construction jobs by 43.9 percent. By comparison, Port Washington lost 39.4 percent of its professional, managerial and administrative jobs, and lost 54.8 percent of its crafts and construction employment. In occupations where a lower level of education is acceptable, such as clerical and service, Nassau County grew by 39.3 percent, while Port Washington grew by 93 percent. However, in sales jobs, Nassau County increased by one percent while Port Washington reported 15.8 percent decline.

Indicative of the higher earnings of the Port Washington workforce are differences in mean per capita and family median income between Nassau County and Port Washington, and are presented in Table 12.

TABLE 9: MEAN PER CAPITA AND MEDIAN FAMILY (NOMINAL AND REAL) INCOME

		1990		2000	
		Mean Per Capita	Median Family	Mean Per Capita	Median Family
Nassau County:(a)	Nominal \$	\$23,352	\$60,619	\$32,151	\$81,246
	Real \$(1)	\$16,873	\$43,800	\$17,588	\$44,445
Port Washington:(b)					
	Nominal \$	\$32,024	\$72,279	\$47,448	\$102,064
	Real \$	\$23,139	\$52,225	\$25,956	\$ 55,833

Source: (a) 1990 U.S. Census Table DP-4, 2000 U.S. Census Table DP-3.

(b) *Infoshare.org*, 1990 U.S. Census Tables: Median Family Income in 1989 and Per Capita Income in 1989; 2000 U.S. Census Tables: Median Family Income in 1999 and Per Capita Income in 1999.

Note (1): Based on 1984 CPI as the base year, New York Area Index as of July 1990 and July 2000.

The 1990 Port Washington mean per capita and median family incomes, expressed in both nominal and real dollars, were respectively 137 and 119 percent of their Nassau County equivalents. This gap widened by 2000, with the Nassau County nominal mean per capita and median family incomes experiencing a respective 38 and 34 percent growth between 1990 and 2000, while mean per capita and median incomes, expressed in real dollars, grew by 4.2 and 1.5 percent respectively. Exceeding Nassau County, the growth of Port Washington's mean per capita and median family incomes, expressed in nominal dollars, grew by 48.2 and 41.2 percent, with mean per capita and median income, expressed in real dollars, increasing by 12.2 and 6.9 percent respectively. The Port Washington mean per capita and median family incomes, expressed in both nominal and real dollars, had now increased to 147 and 125 percent of their Nassau County equivalents. Not only had Port Washington kept up with Nassau County, but also it actually gained economic ground.

Conclusion:

The higher level of education attainment in Port Washington residents has allowed them to adapted extremely well to the global economy. The data indicates that there was important growth in both entrepreneurs and in accessing the higher paying jobs that are being created in the regional economy as well as being able to obtain the secondary service sector jobs that those with lower levels of education attainment consider as their primary source of revenues. The results are that Port Washington:

similar to Nassau County, had losses in higher paying professional and managerial and administrative jobs, yet had dramatic increases in lower paying service, clerical, and sales jobs;

had growth in nominal median family and mean per capita income, 78.4 percent of families earning nominal income above \$50,000 as compared to 75 percent of Nassau County families; and,

had nominal mean per capita and median family income grow at a faster rate than Nassau County's, with increases in Port Washington's real mean per capita and median family income.



III: EPILOGUE

The data and discussion presented in this white paper is worrisome, since Long Island's educated workforce may be ebbing, taking with it the region's capacity to earn higher wages. While LIESP's first white paper indicates that college enrollments have decreased since 1990, growth rates in Elementary/High School are more than twice the rate of preliminary school enrollments. While college education doesn't guarantee a higher paying job, former Labor Secretary Robert Reich observed that without that education a higher paying job is out of reach.

The above data indicates that the economic and job distribution trends between 1980 and 2000, when Long Island experienced the shrinkage of its higher blue collar wage paying jobs and the de-industrialization of its manufacturing base continues. Where as Long Island once had prime military contractors such as Fairchild-Republic, Eaton, Sperry, Hazeltine, and Grumman Corp., today it has none, This contraction has led to manufacturing workforce reductions, which continue today, impacting much of the regions less skilled and less educated workers. At the same time, influenced largely by the globalization of economic events, the demand for more skilled and more educated workers has been growing in Long Island's high technology industries, and in the growing financial and banking sector. Sadly, latest regional job statistics have been disappointing and suggest inconsistent and slow job growth.

So the mystery of what Long Island is to become is yet before us. To be sure, the requirements to succeed in the global economy are much more complex than what was required for success in the economy and society during the heady days after the end of World War II, when returning veterans found their way here and built America's first suburb. How Long Island succeeds, and what it will look like, will be very dependent on how Long Islanders adapt to the constant changes in the global economy; how we accept our newest residents; and how we understand the economic potential of communities of color and the importance of economic equality and opportunity.

ABOUT MARTIN R. CANTOR, Director, Long Island Economic and Social Policy Institute at Dowling College

Martin R. Cantor has a Bachelor of Science Degree in Accounting from Brooklyn College of the City University of New York, and a Master of Arts Degree in Interdisciplinary Studies from Hofstra University. He has served as Suffolk County (New York State's largest suburban county) Economic Development Commissioner ; Chief Economist, New York State Assembly Subcommittee for the Long Island Economy; Senior Fellow at the White Plains, New York based Institute for Socioeconomic Studies; a Suffolk County building trades labor/management arbitrator; a faculty member in the Brooklyn College Department of Economics; Executive Director of the Patchogue Village Business Improvement District; Revitalization Citizen Advisory Panel; and Director of Economic Development and Chief Economist for Sustainable Long Island and the Long Island Fund for Sustainable Development, providing financial, and technical assistance to Long Island's underserved communities, businesses and not-for-profit organizations; His work is included in the National Tax Rebate-A New America With Less Government, and has prepared downtown revitalization plans for Long Island and New York City neighborhoods featuring arts districts, economic restructuring, waterfront projects and community organizing. He was the architect of the Nassau County Comptroller's debt restructuring plan for resolving Nassau County's fiscal crisis; has been a Long Island Business Journal columnist; and has authored: federal, state and local legislation; economic impact analyses; socio-economic profiles of the New York City and Long Island economic, employment and educational bases; annual reports on the State of the Long Island Economy; and a convention center feasibility study.

He is a Certified Public Accountant in private practice; a consulting economist and economic development and planning consultant to counties, towns, villages, Industrial Development Agencies, and communities; the economic development advisor to the Suffolk County Executive; chairman of the Suffolk County Legislature Downtown Revitalization Citizen Advisory Panel; Chief Economist for the Long Island Development Corp.; and chairman of the Suffolk County Judicial Facilities Agency. He provides economic and business commentary on television and radio; is a columnist for the Long Island Business News, Long Island's largest business weekly; has appeared in the New York Times and Newsday, and some of his work has been syndicated nationally by Newsday, Bridge News and Knight-Ridder/Tribune News Service. He is an Honorary Member of Delta Mu Delta - The National Honor Society in Business Administration and his work has been recognized by the National Association of Counties for innovative uses of Industrial Revenue Bonds, for international trade promotion initiatives, and down revitalization. He was invited by Dr. William Julius Wilson of Harvard University's John F. Kennedy School of Government to present his paper entitled Race Neutral Sustainable Economic Development, a jobs, skills and employment policy; and he is the author of *Long Island, The Global Economy and Race: The Aging of America's First Suburb*.

